



AGENDA

Meeting Location:

Sloat Room—Atrium Building
99 W. 10th Avenue
Eugene, OR 97401

Phone: 541-682-5481
www.eugene-or.gov/pc

The Eugene Planning Commission welcomes your interest in these agenda items. Feel free to come and go as you please at any of the meetings. This meeting location is wheelchair-accessible. For the hearing impaired, FM assistive-listening devices are available or an interpreter can be provided with 48 hours notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours notice. To arrange for these services, contact the Planning Division at 541-682-5675.

MONDAY, MARCH 18, 2013 – REGULAR MEETING (11:30 a.m. to 1:30 p.m.)

11:30 a.m. I. PUBLIC COMMENT

The Planning Commission reserves 10 minutes at the beginning of this meeting for public comment. The public may comment on any matter, **except for items scheduled for public hearing or public hearing items for which the record has already closed.** Generally, the time limit for public comment is three minutes; however, the Planning Commission reserves the option to reduce the time allowed each speaker based on the number of people requesting to speak.

11:40 a.m. II. SOUTH WILLAMETTE CONCEPT PLAN

Staff: Patricia Thomas, 541-682-5561

12:30 p.m. III. COMMUNITY INVESTMENT STRATEGIES

Staff: Robin Hostick, 541-682-5507

1:15 p.m. IV. ITEMS FROM COMMISSION AND STAFF

- A. Other Items from Staff
- B. Other Items from Commission
- C. Learning: How are we doing?

Commissioners: Steven Baker; Jonathan Belcher; Rick Duncan; Randy Hledik, Chair; John Jaworski; Jeffery Mills; William Randall, Vice Chair

AGENDA ITEM SUMMARY
March 18, 2013

To: Eugene Planning Commission

From: Patricia Thomas, City of Eugene Planning Division

Subject: Envision Eugene Implementation: South Willamette Concept Plan

ISSUE STATEMENT

This work session is an opportunity for the Planning Commission to receive an update and comment on the February 2013 final draft of the South Willamette Concept Plan.

BACKGROUND

Two primary goals of the Envision Eugene project are to: 1) determine how Eugene will accommodate the next 20 years of growth in our community, as required by state law, and 2) create a future that is livable, sustainable, beautiful and prosperous.

The City Manager's March 2012 Envision Eugene recommendation includes several strategies and actions to implement the Envision Eugene vision. A primary strategy to accommodate more places to live in a variety of housing types and commercial jobs inside the Urban Growth Boundary (UGB) is to use Area Planning to create strong concepts for compact urban development along primary corridors and in core commercial centers. The South Willamette Concept Plan pilots the area planning strategy in the existing mixed use district near Willamette Street, roughly from 23rd to 32nd Avenues and from Amazon Park to the base of College Hill.

The Concept Plan

Since early 2010 the area planning process has been underway in the South Willamette district and has benefited from robust public involvement, with participation and interest from over 600 people actively receiving updates or attending public workshops and focus groups. The plan has been built incrementally over time. Several iterations of the concept plan have been developed and refined in public workshops, presented online and evaluated through the use of questionnaires. Modifications and more detailed analysis of the plan, design features and implementation tools have been part of the public conversation.

The final draft Concept Plan combines the results of this work into a clear, long-term vision for the area as well as a set of actions for implementing the vision over time. While the Concept Plan itself will not be formally adopted, this document forms the basis for a special area plan and related code changes to be developed and adopted at a future date. The Concept Plan is attached in Attachment B for review. The project history, public process, presentations and workshop reports can be found at www.eugene-or.gov/SWillamette.

Discussion and input from the Planning Commission directed at three major areas of the Concept Plan is requested:

- The Vision
- Design Features and Principles
- Implementation Plan

NEXT STEPS

Following Planning Commission discussion, the Concept Plan will be presented at a public open house on April 4th at the Hilyard Center for a final round of comment. This event may also be an opportunity to collaborate with the Planning Commission in engaging directly with the community. Following the open house and any necessary revisions, the Planning Commission will be asked to accept the Final Draft South Willamette Concept Plan as a vision and roadmap for further action. With the Planning Commission's acceptance, staff will seek direction from the City Council to proceed with implementation.

ATTACHMENTS

- A. Project Background: www.eugene-or.gov/SWillamette
This link provides access to the history of the project, interim plans and workshop presentations. Links to reports and outcomes from each of the workshops are found on the "Community Input" page.
- B. Link to [Final Draft South Willamette Concept Plan, February 2013](#)

FOR MORE INFORMATION

Contact Patricia Thomas at 541-682-5561 or at patricia.thomas@ci.eugene.or.us

AGENDA ITEM SUMMARY
March 18, 2013

To: Eugene Planning Commission

From: Robin Hostick, City of Eugene Planning Division

Subject: Envision Eugene Implementation: Community Investments

ISSUE STATEMENT

This work session is an opportunity for the Planning Commission to review and discuss additional information about potential community investment programs.

BACKGROUND

Two primary goals of the Envision Eugene project are to: 1) determine how Eugene will accommodate the next 20 years of growth in our community, as required by state law, and 2) create a future that is livable, sustainable, beautiful and prosperous. One key goal is to accommodate all the 20-year need for multi-family housing and commercial jobs inside the existing urban growth boundary by focusing on redevelopment along key transit corridors and within core commercial areas.

The City Manager's March 2012 Envision Eugene recognizes the need for community investments to achieve these goals. Extensive analysis leading up to the recommendation revealed a significant "market gap" (lack of financial feasibility) for redevelopment projects in core commercial areas and along key transit corridors. For example, approximately 1,600 multi-family homes are not expected to happen naturally under Eugene's market conditions. Recommendations include a variety of investment strategies to help close the market gap for this needed redevelopment, including creation of a "compact urban development district," restructured SDC's, and a financial investments such as MUPTE, loan programs, and public/private partnerships.

Overall, recommended investments fall into several general categories:

- Compact urban development (commercial jobs and multi-family housing)
- Single family housing options (e.g. secondary dwellings and other compact housing types)
- Affordable housing
- Economic prosperity

While these categories are closely related, the first two categories include provisions to address the community's capacity to accommodate future growth and meet state requirements for

adopting the community's long-term growth plan. This discussion will focus on investments in the first category, compact urban development.

In addition, ongoing discussions around the future of the MUPTE program will affect the community's ability to meet long-term needs. This represents a timely opportunity to engage in a broader discussion around how this and other tools could be used by the community to achieve long-term goals.

Continuing the discussion from January 28th Planning Commission work session, the following topic areas will be helpful in developing more specific recommendations for community investment. Given the City's limited resources, we will be seeking input and priorities regarding each of the following questions:

- What types of development do we want to invest in?
- Where do we want to invest?
- Which tools do we want to use?

NEXT STEPS

Over the next few months, staff will develop and refine recommendations for community investments for discussion and eventual adoption by the City Council. Additional discussions will be held with the Planning Commission and stakeholders during this time. Community investments for compact development and single family housing options will need to be enabled prior to submitting our community's growth plan for state approval.

ATTACHMENTS

- A. Community Investment Toolbox (conceptual)
- B. Community Investment Presentation

FOR MORE INFORMATION s

Contact Robin Hostick at 541-682-5507 or at robin.a.hostick@ci.eugene.or.us



DRAFT: for conceptual discussion only!

	What type of development do we want to invest in?		Where do we want to invest?	What tools do we want to use?
	Purpose	Key Criteria		
Compact Urban Development District	Reduce or close the market gap for redevelopment supporting multi-family housing and commercial jobs in core areas with the greatest estimated potential for redevelopment under expected market conditions	<ul style="list-style-type: none"> • Minimum job and/or housing density through redevelopment • Financial need • Menu of objective community benefits, e.g , public open space. LEED, mixed income • Special transition and design criteria • Criteria may be refined by area planning 	<ul style="list-style-type: none"> • Downtown / midtown • S. Willamette area • Franklin Blvd. north side • 6th / 7th Ave. Corridor • S. Coburg Rd. area • All comm. land on key corridors and core commercial areas • All comm. and multi-family land city-wide • Criteria-based locations 	Financial Tools: <ul style="list-style-type: none"> • MUPTE • Tax-funded SDC's • SDC financing / deferral • Alternate-funded permit fees • Land assembly • Financing, e.g. loan fund • Loan guarantees; rate buy-downs • Grants • Direct public improvements • Indirect public improvements
"Pioneer Project" Redevelopment Partnership Program	Close the market gap for "catalyst" redevelopment projects supporting multi-family housing and commercial jobs in core areas on a case-by-case basis	<ul style="list-style-type: none"> • Reserved for high-impact or market-changing projects in key locations; may also include above criteria, if qualified • Currently focused on TIF (tax increment financing aka urban renewal) districts; requires large and flexible funding source 	<ul style="list-style-type: none"> • Riverfront Urban Renewal District (existing) • Downtown Urban Renewal District (existing; scheduled to sunset) • Expanded or new districts (see list above) using TIF or other funding method 	Facilitative Tools: <ul style="list-style-type: none"> • Design assistance • Pre-approved design concepts • Expedited permit review • Marketing Regulatory Tools: <ul style="list-style-type: none"> • Parking requirement reduction • Density bonus (vertical housing) • Code improvements (current, ongoing)
Opportunity Siting Program	Reduce or close the market gap for multi-family housing, mixed use, and higher-density commercial development to promote community benefits on a case-by-case basis	<ul style="list-style-type: none"> • Increased housing and/or job density / higher urban form • Location near transit and services • Financial need • Menu of objective community benefits, e.g , public open space. LEED, mixed income • Special transition and design criteria 	<ul style="list-style-type: none"> • Commercial and multi-family property city-wide for projects meeting qualification criteria; could be limited to specific distance from transit corridors • Requires joint nomination by developer and neighborhood association 	

Community Investments



Building better tools to make the vision real

Eugene Planning Commission
13.18.13

Why invest in future development?

- Help create the most beautiful, sustainable, prosperous, and healthy community possible
- Aligns with the Envision Eugene approach: focus on what we want as a community
- Achieving the vision requires investment

Here are a couple of basic reasons why the community has chosen to invest in future development.

The last point relates to a couple of things we discussed at the previous Planning Commission meeting on the subject of investments (Jan. 28, 2013):

- Left to its own devices, the market is not expected to achieve the community's redevelopment needs and goals
- Public investments will be needed to achieve redevelopment in a desired form and in targeted areas within the UGB
- When aligned with the community's goals and values, these investments can help achieve best outcomes

General Categories of Investment (Envision Eugene recommendations):

- Compact Urban Development
- Single-family housing options
- Affordable housing
- Economic prosperity

Envision Eugene recommendations identify a variety of specific investments in several general categories, listed here.

- As a reminder, the “compact urban development” category is generally focused on meeting our 20-year needs for multifamily housing and commercial jobs inside the current UGB, primarily through redevelopment along key transit corridors and in core commercial areas.
- Single family housing options covers the goal of diversifying housing types to meet the needs of a changing population (e.g. more singles and retirees), and creating more compact housing forms on existing land to reduce the need for UGB expansion (alley lots and secondary dwelling units).
- Affordable housing includes the City’s existing, successful program to provide housing opportunities for low-income individuals and families.
- Economic prosperity refers to investments aimed at strengthening Eugene’s economic base, including more and better-paying jobs, by growing and accommodating successful, local companies, attracting others within certain desirable business “clusters” such as food/beverage and green technology.

General Categories of Investment (Envision Eugene recommendations):

- Compact Urban Development
- Single-family housing options
 - Housing choice
 - Secondary Dwelling Units (SDUs)
- Affordable housing
- Economic prosperity

**WORK
ON THIS!**

These are all critical to achieving the community's long-term goals.

However, only the two highlighted categories are required for state approval of Eugene's growth strategy: compact urban development and secondary dwelling units.

As we prepare Eugene's growth strategy for local adoption and state approval (remember the 8-foot work plan), these are the areas we need to focus on for this round of the investments conversation.

For today's conversation, we will focus on compact urban development.

Investments for secondary dwelling units will be discussed later.

INVESTING IN A NEW URBAN FORM						
Community Investment: Potential Program Areas	Comm. Jobs	MF Housing	Compact SF Housing	Affordable Housing	N'hood Livability	Sustainability
Compact Urban Development District	✓	✓		✓	✓	✓
"Pioneer Project" Redevelopment Partnerships	✓	✓		✓	✓	✓
Opportunity Siting		✓			✓	✓

When we last spoke (Jan. 28, 2013), we looked at five different "potential program areas" for investment, as well as how they relate to six general goals.

The categories that address commercial jobs and multi-family housing are shown here.

As a reminder:

- The "Compact Urban Development District" program could include several investment options available in a pre-defined area to development meeting certain criteria. This approach could offer flexibility and higher predictability for development in areas of town where investments are most likely to yield results and provide the most synergistic (i.e. market-changing) benefits. The MUPTE program is a good example, however that program only provides one investment option (time-limited tax abatement).
- The "Pioneer Project Redevelopment Partnerships" program essentially mirrors the set of tools now available within Eugene's two urban renewal districts (Downtown URD and Riverfront URD). These Tax Increment Financing (TIF) districts generate substantial funds, particularly after the program has been in place for many years, that can be used with great flexibility and effect in supporting desired projects. The emerging success of redevelopment in the downtown area is a result of this tool.
- The "Opportunity Siting" program could include one or more investment options available across a much broader area of the city under certain conditions, e.g. mutual

support from a developer and neighborhood association. This promotes cooperation and better project results, allows for equitable opportunities across the city, and supports market-based changes outside of “tipping point” areas.

Given limited resources, how should we prioritize:

- **WHAT** type of development do we want to invest in?
- **WHERE** do we want to invest?
- **WHICH TOOLS** do we want to use?

Ideally, we would have as many tools as possible available in as many places as possible. Development is complex, especially redevelopment in urban areas in a difficult market like Eugene, and flexibility is important to the success of any program.

However we have limited resources (funding, staff time, community support, etc.) and we need to maximize the return for the least possible investment.

With this as an overall starting point, we're looking for the Planning Commission's input on how to prioritize options within several questions (above).

WHAT type of development do we want to invest in?

- Higher-density multi-family housing, commercial jobs, and mixed use
- Redevelopment vs. greenfield development
- Public benefits (think high level for now!)
 - Public open space
 - Amenities (e.g. retail, well-designed streets)
 - Mixed income
 - Design excellence (e.g. materials and durability)
 - Responsiveness to neighborhood and history

First, it's important to be clear about what we want to invest in. This will help narrow the scope of investments. It also has the potential to greatly simplify the approval process through the use of pre-defined, objective criteria where possible.

As a baseline, we know we need to invest in higher-density, MF housing, commercial jobs, and mixed use. Essentially, helping this kind of development happen – especially when and where it would not have otherwise happened – is a basic assumption and requirement of the community's future vision.

However there may be other reasons to invest in development. For example, even though a MF housing project on a greenfield site (previously undeveloped) may be financially feasible, does it make sense to invest in that project to boost certain outcomes? Perhaps the project could have a higher building form (more stories, integrated parking) and higher density, or added public open space, or better character and quality, with the support of investments. Does this make sense to do, vs. limiting investments to redevelopment sites, given available resources?

Overall, what other public benefits are important to consider? If we had to choose, which would be the most important? (think high-level for now!)
This is not intended to be a complete list; suggestions welcome.

WHERE do we want to invest?

- Areas closest to “tipping point”
- Core commercial areas and key transit corridors
- Other areas (e.g. defined, criteria-based and/or by nomination)

Next, we need to define geographic areas, or spatial criteria, for each type of investment. Ideally, it will be clear to property owners and potential developers exactly what types of tools are available.

These are a few suggestions. Remember we’re talking about priorities.

Areas closest to the “tipping point” include downtown, mid-town, Franklin, S. Willamette and the S. Coburg area. These areas were shown by the Technical Resource Group (TRG) redevelopment analysis as having higher achievable pricing than other parts of town. This is important because most investments make a fairly small difference in the overall financial equation of redevelopment. In most areas of town, the market gap is so great that investments are unlikely to tip the balance in favor of a higher level of development (e.g. multi-story, higher-density). The MUPTE zone out 6th/7th and Trainsong, for example, has not been utilized. Remember that the market gap is smaller for greenfield sites (see previous question).

As reflected in the Envision Eugene recommendations, the community’s preferred method for accommodating MF housing and commercial jobs is along key transit corridors and in core commercial areas. The basic rationale for this includes:

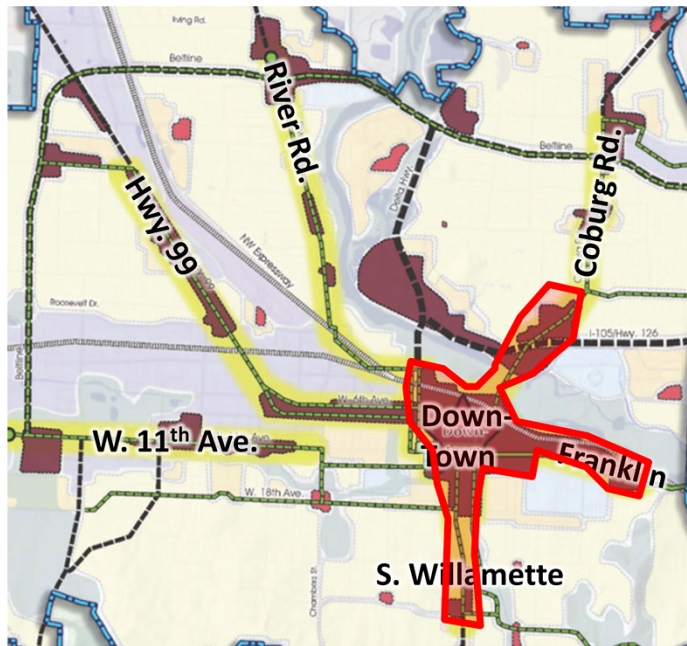
- Development in these areas has less impact on existing neighborhoods
- These areas offer benefits to workers and residents, e.g. more transportation options (e.g. high-frequency transit) and access to goods and services
- Adding density to these areas supports additional businesses and services

- Development in these areas is more sustainable (reduced VMT, GHG emissions) and healthy (walkable)
- Some land in these areas is under-utilized

Other areas could be identified through criteria, for example joint nomination of a site by developer and neighborhood, or location near amenities such as parks, schools, shopping, and/or future transit stations.

ENVISION EUGENE ANALYSIS

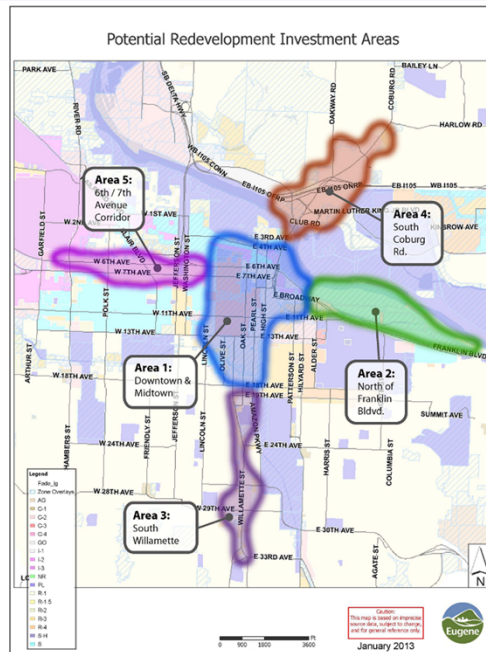
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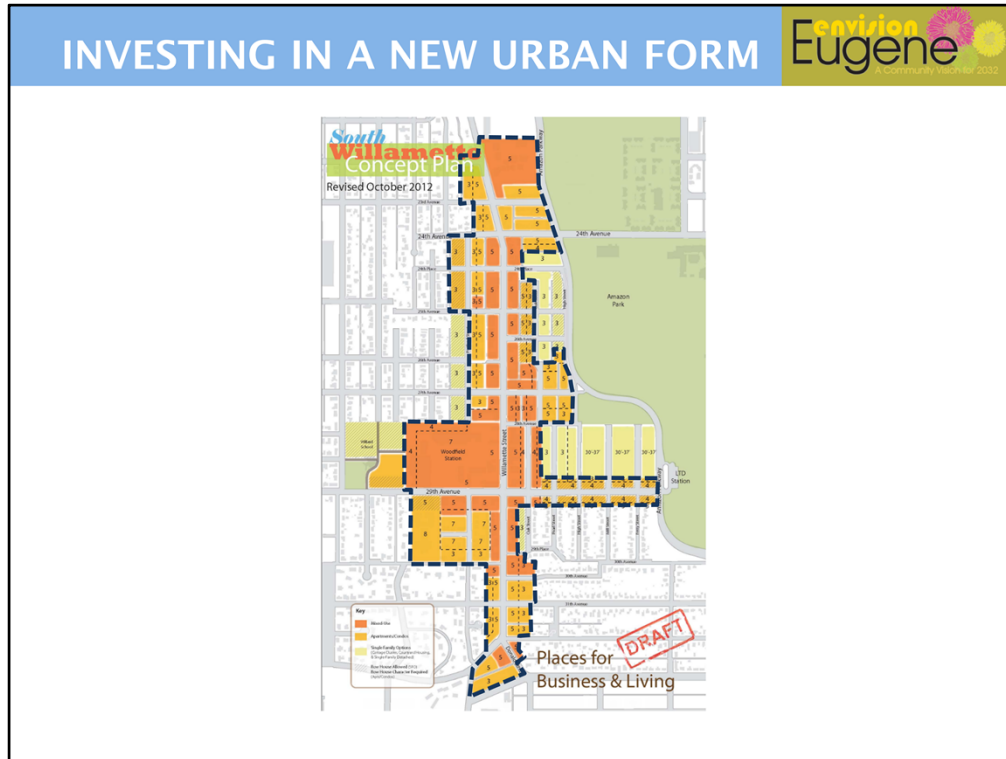
Here's a map of the key transit corridors (yellow) and core commercial areas (red). The highlighted area (bright red) indicates areas closer to the "tipping point."

The darker yellow/orange areas (faded back) near some commercial areas indicate multi-family land use designations. These could also be a candidate for investments.

INVESTING IN A NEW URBAN FORM



This is a closer view of the cluster of areas where investments will most likely have the greatest impact. The exception is area 5 (6th/7th), which is not close to the tipping point, but is included due to potential interest in supporting development near the planned EmX extension.



This diagram zooms in on Area 3 (South Willamette), showing properties within a potential pilot “compact urban development district.” As a suggestion, include only areas where multi-story mixed use, commercial or multi-family development are allowed.

Key criteria could include, at a minimum, design guidelines for gentle transitions to adjacent single-family uses and attractive, functional streetscapes. (keep discussion of criteria high-level for now). These were central themes from the planning effort in S. Willamette.



Now to the question of which tools to use.

As a starting point, we need as many tools as we can get to meet the challenge we've set for ourselves in accommodating MF housing and commercial jobs inside the existing UGB. Every project has different needs and challenges, and the more tools we have, the more adaptable and effective these investments will be (as a community). In addition, most tools make a small difference in the development equation, and multiple tools will be more effective at closing the market gap.

However, we also face a variety of constraints, such as budgets, legal parameters, and variable community support for different tools.

We need to focus our efforts on the enabling the tools that are most:

1. Effective
2. Affordable
3. Feasible (legal, administrative, community support)

Some of these tools are very effective (red box), and have been used to achieve significant transformation downtown. However these tools need a large source of funding to operate, for example revenue from a Tax Increment Financing (TIF aka urban renewal) district. The City has two urban renewal districts: Riverfront Urban Renewal District and the Downtown Urban Renewal District (this district will sunset in the late 20-teens).

Other tools (yellow box) can have a positive effect on development, however pre-planning is usually needed (e.g. area planning). These tools are a good complement to a programmatic approach that responds to development opportunities, but are unlikely to stimulate redevelopment as a stand-alone.

Finally, some tools have a measurable impact, feasible funding mechanisms, and can be offered to multiple applicants through a program. Based on recent research, MUPTE has the greatest positive effect on redevelopment, followed by tax-funded SDC's (payment of SDC obligations with tax revenue post-redevelopment). Alternate-funded permit fees require a significant funding source to pay for services until fees can be collected (less feasible), and is less effective in reducing development costs than the other options.

Local Improvement District definition: <http://www.cityoftacoma.org/page.aspx?nid=526>

Facilitative Tools:

- Design assistance
- Pre-approved design concepts
- Marketing assistance (district; investment program)
- Expedited permits

We won't have time to dig into this, but as a reminder, we also need to consider facilitative tools.

Generally, these are less expensive and have less impact than financial tools.

However, the support of staff before and during the permitting process has been identified locally as one of the top needs of the development community.

Pre-approved design concepts have been used in Portland for getting agreement up-front with neighborhoods and designers around infill projects. This is more relevant for single-family options program areas (for future discussion).

Marketing assistance, for example branding districts, supporting tenant improvements, has also been used effectively by other communities. Marketing the investment program itself is also a good way to spread awareness among developers and property owners.

Expedited permits have been discussed quite a bit, however given the low staffing levels and extent to which City general funds are stretched, it's unlikely we would be able to guarantee permit delivery at a certain time without impacting other permits beyond legal limits.

Regulatory Tools:

- Parking requirement reduction
- Density bonus (vertical housing)
- Traffic Impact Analysis (TIA)
- Code improvements (current, ongoing)

Code revisions are underway to address some regulatory tools. Others may be available through area planning and other code revisions.

Next Steps:

- Compile a proposal from the menu of options
- Review with stakeholders
- Refine criteria and tool mechanisms
- Enable program(s) – consider a pilot in one or more areas